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**CIRCUMSTANCES THAT CONTRIBUTE TOWARDS PURCHASE
INTENTION ON ORGANIC FOODS:
A STUDY OF ORGANIC CONSUMER IN KEDAH.**

BY

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Thesis submitted to

Othman Yeop Abdullah Graduate School of Business,

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In Partial Fulfillment of the requirement for

Master of Sciences (Management)



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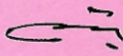
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ORGANIC FOODS: A STUDY OF ORGANIC CONSUMER IN KEDAH**

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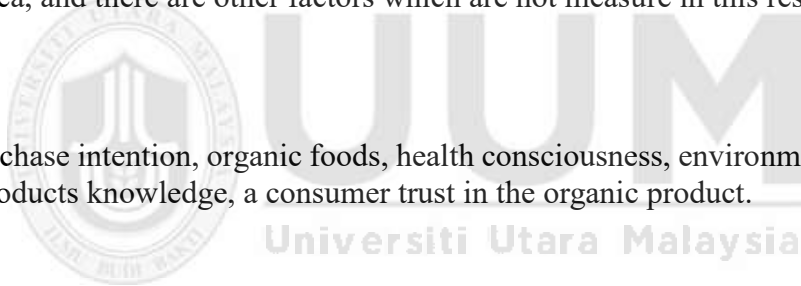
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ABSTRACT

Recently, state government is moving toward developing organic agricultural sector, by giving the opportunities for rural entrepreneur to get involved, with the aims to improve the rural farmer and entrepreneur standard of living. However, there were several issues arise concerning with this development that need to be control. The purpose of this research was to investigate the factors that influence the intention to purchase the organic food products among Malaysian consumer, while helping the farmers and entrepreneur to promote and market their product effectively. The technique used for the data collection was face-to-face interviews by using structured questionnaire, with closed – ended questions. Besides that, the questionnaire is construct in the form of a Likert scales questionnaire using the “strongly agree/ agree/ neutral nor disagree/ disagree/ strongly disagree” format. With a sample of ninety – one respondent, the data obtained from the research survey were analyses by using SPSS software to convey result analysis on frequency distribution, reliability test, descriptive statistic, Pearson correlation, and also multiple regression analysis. The finding shows that health consciousness, organic food products knowledge, and consumer trust in the organic product have positive and significant influence on intention to purchase organic product, which can be used as orientation for marketing strategies. There are three limitations in this study, which are information gathered from secondary data maybe outdated, research study only covers small scope of geographical area, and there are other factors which are not measure in this research.

Keywords: Purchase intention, organic foods, health consciousness, environmental awareness, organic food products knowledge, a consumer trust in the organic product.



ABSTRAK

Belakangan ini, kerajaan negeri bergerak ke arah membangunkan sektor pertanian organik, dengan memberi peluang kepada usahawan luar bandar untuk terlibat, dengan matlamat untuk meningkatkan taraf hidup petani dan usahawan tani. Walau bagaimanapun, terdapat beberapa isu yang timbul berhubung dengan perkembangan ini yang perlu dikawal. Tujuan penyelidikan ini adalah untuk mengkaji faktor-faktor yang mempengaruhi niat untuk membeli produk makanan organik di kalangan pengguna, sambil membantu petani dan usahawan untuk mempromosikan dan memasarkan produk mereka dengan berkesan. Teknik yang digunakan untuk pengumpulan data adalah wawancara bersemuka dengan menggunakan soal selidik berstruktur, dengan soalan tertutup. Di samping itu, soal selidik itu dibina dalam bentuk soal selidik skala Likert menggunakan format " setuju / setuju / neutral dan tidak setuju / tidak bersetuju / tidak setuju ". Dengan sampel sembilan puluh satu responden, data yang diperoleh daripada kajian tinjauan dianalisis dengan menggunakan perisian SPSS untuk menyampaikan analisis hasil pada pengagihan kekerapan, ujian kebolehppercayaan, statistik deskriptif, korelasi Pearson, dan juga analisis regresi berganda. Hasil kajian menunjukkan bahawa kesedaran kesihatan, pengetahuan produk makanan organik, dan kepercayaan pengguna dalam produk organik mempunyai pengaruh positif dan signifikan ke atas niat untuk membeli produk organik, yang boleh digunakan sebagai orientasi untuk strategi pemasaran. Terdapat tiga keterbatasan dalam kajian ini, yang merupakan maklumat yang dikumpulkan dari data sekunder mungkin ketinggalan zaman, kajian penyelidikan hanya merangkumi bidang geografi yang kecil, dan terdapat faktor lain yang tidak diukur dalam kajian ini.

Kata kunci: Niat pembelian, makanan organik, kesedaran kesihatan, kesedaran alam sekitar, pengetahuan produk makanan organik, kepercayaan pengguna dalam produk organik.

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CHAPTER 1

INTRODUCTION

1.0 Introduction

This chapter explains about the background of the study. It covers seven segments which include the background of research, problem statement, research objectives, research questions, conceptual framework, research hypotheses and significance of the study.

1.1 Background of Study

Kedah Regional Development Authority (KEDA) is a well - established government institution which exists since May 1981 under the provision of Act 249 and is referred as Kedah Regional Development Authority Act 1981 (Background KEDA, n.d). The main objective of KEDA is to develop rural societies specifically KEDA's target group in all socioeconomic fields through urban capital, skills training, economic and physical developments focusing on improving the quality of life, increase the participation of target groups in economic activities through increased empowerment (people empowerment) and establish balanced developments between urban and rural areas in KEDA operations area (Objectives, n.d).

In term of contributing toward the development in agricultural sector, KEDA plays important role in supporting the agricultural project of Sri Lovely Organic Centre Sik, in Kedah, by having collaboration with several parties such as Koperasi Agro Belantik Sdn

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APPENDIX

QUESTIONNAIRE



Questionnaire/ Soal Selidik

CIRCUMSTANCES THAT CONTRIBUTE TOWARDS PURCHASE INTENTION ON ORGANIC FOODS:

A STUDY OF ORGANIC CONSUMER IN KEDAH.

Faktor-faktor yang mempengaruhi niat untuk membeli produk makanan organik di kalangan pengguna di Kedah, Malaysia

Dear Respondent

I am a Master of Science (Management) student in Universiti Utara Malaysia. The questionnaire contains 3 sections: Section A, B and Section C. The purpose of this questionnaire is to identify the circumstances that contribute towards purchase intention on organic food. All the information provided is CONFIDENTIAL and used for academic purpose only. We will not publish any information that would involve any individual or organization for other purposes. Thank you for your time and cooperation in completing this research.

Responden yang dihormati,

Saya merupakan pelajar Sarjana Sains (Pengurusan) di Universiti Utara Malaysia. Soal selidik ini mengandungi 3 Bahagian: Bahagian A, B dan Bahagian C. Tujuan soal selidik ini adalah untuk mengenal pasti factor yang menpegaruhi niat untuk membeli produk makanan organik di kalangan pengguna di Kedah. Semua maklumat yang diberikan adalah SULIT dan digunakan untuk tujuan akademik sahaja. Kami tidak akan menyiarkan sebarang maklumat yang akan melibatkan mana-mana individu atau organisasi bagi tujuan lain. Terima kasih di atas masa dan kerjasama anda dalam menyiapkan penyelidikan ini.

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Master of Science (Management)/ Sarjana Sains Pengurusan

Universiti Utara Malaysia (UUM)

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Section A: Demographic Questions

Please tick ☐ on the answer that you choose. Only give one answer per question.

1. Gender:

Male ☐

Female ☐

2. Race:

Malay ☐

Chinese ☐

Indians ☐

Others ☐ : _____

3. Age:

Under 20 ☐

40 – 49 ☐

20 – 29 ☐

50 – 59 ☐

30 – 39 ☐

60 and above ☐

4. Education Level:

SPM ☐

Master Degree ☐

Diploma ☐

PHD ☐

Bachelors Degree ☐

5. Marital Status:

Single ☐

Others ☐

☐

Married

(If “Single” please proceed to question 7)

6. Children in household:

Yes

No

7. Members in household:

1

2

3

4

5 and above

8. Monthly personal income (RM) :

Less than 1000

3001 – 4000

1000 – 2000

4001 – 5000

2001 – 3000

5001 and above

9. For any recommendation, please state below:

End of questions. Thank you!

Section B: General Questions

Please tick ☐ on the answer that you choose. Only give one answer per question.

1. What is the most type of organic food products do you commonly purchase?

Rice	<input type="checkbox"/>	Organic fruit product	<input type="checkbox"/>
Cereal	<input type="checkbox"/>	Organic dairy product	<input type="checkbox"/>
Organic vegetables products			<input type="checkbox"/>

2. How often do you purchase organic food?

Daily	<input type="checkbox"/>	Weekly	<input type="checkbox"/>
Twice a week	<input type="checkbox"/>	Monthly	<input type="checkbox"/>
Twice a month	<input type="checkbox"/>	Once a year	<input type="checkbox"/>
Twice a year	<input type="checkbox"/>		

Section C

For each of the following statements, please indicate your opinion by circling one of the number on the scale, where 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

Statements	Strong ly 1	Disagr ee 2	Neutra l 3	Agree 4	Strong ly 5
Health Consciousness					
Health issues play an important role for me when I make up my menus.	1	2	3	4	5
Organic food products are healthier than conventional food.	1	2	3	4	5
Choosing organic food products are good to ensure our health.	1	2	3	4	5
I am concerned about the presence of food additives.	1	2	3	4	5
When making my purchases, I will pay attention to whether the food products contain unhealthy substances.	1	2	3	4	5

Environmental Awareness					
Organic farming is friendly to the environment.	1	2	3	4	5
The government is not doing enough green campaign to help control pollution of the environment.	1	2	3	4	5
Organic farming used less energy.	1	2	3	4	5
Organic farming can prevent the contamination and pollution of soil.	1	2	3	4	5
I am greatly concerned about the harm being done to plants and animals life by pollution.	1	2	3	4	5

Organic Food Products Knowledge					
Study about organic food, provides me information about how much chemicals I consume every day.	1	2	3	4	5
Organic farmers put more care into farming methods and techniques.	1	2	3	4	5
Self knowledge is important in organic food taste perception.	1	2	3	4	5
I do purchase organic food product because I have a good knowledge about it.	1	2	3	4	5
Increasing in education helps me to understand the benefits of organic food for environment.	1	2	3	4	5

Intention To Purchase Organic Food Products					
I would buy organic food products in the future.	1	2	3	4	5
I plan to buy organic food products on regular basics.	1	2	3	4	5
I would buy organic food products if it is more nutritious.	1	2	3	4	5
I would buy organic food products if I know that the farming is environmental friendly.	1	2	3	4	5
I would buy organic food products if I can trust it is really organic.	1	2	3	4	5
I am willing to go out of my way to obtain organic food products.	1	2	3	4	5
My personal goal is to consume as much organic food products as possible.	1	2	3	4	5